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IDAHO DEPARTMENT OF HEALTH AND WELFARE 90-DAY FOLLOW-UP

On January 28, 2011, the Legislative Services Office released a management report for the Idaho Department of Health and Welfare for the fiscal year 2010. The Department was contacted on June 3, 2011, and this report addresses how it has responded to the two findings and recommendations contained in that report.

FINDING 1

Child Care Grant costs are not charged to the appropriate funding source or clearly identified as required by federal regulations.

We recommended that the Department charge Child Care Development Block Grant costs to the appropriate funding source and clearly identify vendors that received ARRA "stimulus" funds in accordance with federal regulations.

AUDIT FOLLOW-UP

The Department changed the methodology for charging child care costs on November 1, 2010, in accordance with the original response. It has been monitoring the charges to the mandatory grant and switching to the discretionary and TANF/TAFI when the quarterly amount required to be spent from the mandatory grant has been met.

STATUS – CLOSED

FINDING 2

Contracts with the public health districts are not monitored.

We recommended that the Department properly monitor contracts with the public health districts to ensure reimbursed costs are allowable to federal grants and comply with the terms of the contract.

AUDIT FOLLOW-UP

The Division of Public Health (DoPH) has implemented improvement processes in their contract monitoring practices. During the 90 days post audit, the DoPH has worked with the Contracts Management Unit and the Internal Audit section to assess contract scope and practice and has directed the newly hired business analyst to assess all DoPH contract practices and develop an improvement plan that puts into place tighter contract monitoring and fiscal controls. Specifically, additional contract scope of work language requiring contractors to submit detailed quarterly financial reports and documentation such as timesheets and invoices for operating expenses associated with contract activities has been developed and is in the process of being reviewed prior to implementation. DoPH will also conduct financial monitoring site visits annually to review protocols, performance measures, cost billing practices, and review of additional fiscal back-up documentation (such as time sheets,

invoices, etc.). The business analyst will continue to work with DoPH bureau chiefs and program managers to improve overall program and financial contract monitoring protocols.

STATUS –CLOSED